Notice to Bidders/Tenderers Tender Notice 2

Bidders are kindly requested to note that the following, changes on the Request for Proposal:

Currently RFP read as follows:

Section 5: Terms of Reference: Objective

The objective of this assignment is to successfully conduct feasibility studies, design, cost and installation of two (2) mini hydro power plants (with capacities of up to 200 kW); one in Gotomi and one in Miruma, Eastern Highland Province, Papua New Guinea. The feasibility will include site specific environmental and socio-economic impact assessments. The designs and installations will comply with regulatory standards. The procurement plan will identify appropriate equipment with relevant costings associated with the identified equipment and where to source them. Equipment identified during the design should be specific to the context and take into consideration value for money, ease of maintenance and sustainability. The price proposal within the procurement plan should also cover the procurement, installation, testing, commissioning and defects liability covering a reasonable period following commissioning.

Section 5: Terms of Reference: Scope of consultancy

This assignment requires a range of services that will facilitate the procurement, delivery and installation of two mini-hydro facilities in Eastern Highlands
Province. Each is expected to produce up to 200 kW of power. These facilities will be delivered in Gotomi and Miruma respectively. These will require the completion of, as a minimum:

- i. Detailed Feasibility Studies.
- ii. Social and environmental impact assessments.
- iii. Engineering designs.
- iv. Procurement of equipment and services.
- v. Construction, installation and commissioning of two facilities.

RFP Should read as follows:

Section 5: Terms of Reference: Objective

The objective of this assignment is to successfully conduct feasibility studies, design, cost and installation of two (2) mini hydro power plants (with capacities of up to 200 kW); one in Gotomi and one in Miruma, Eastern Highland Province, Papua New Guinea. The feasibility will include site specific environmental and socio-economic impact assessments. The designs and installations will comply with regulatory standards. The procurement plan will identify appropriate equipment with relevant costings associated with the identified equipment and where to source them. Equipment identified during the design should be specific to the context and take into consideration value for money, ease of maintenance sustainability. The price proposal within procurement plan should also cover technical advisory services and supervisory services for the procurement, installation, testing, commissioning and defects liability covering a reasonable period following commissioning.

Section 5: Terms of Reference: Scope of consultancy

This assignment requires a range of services that will facilitate the procurement, delivery and installation of two mini-hydro facilities in Eastern Highlands

Province. Each is expected to produce up to 200 kW of power. These facilities will be delivered in Gotomi and Miruma respectively. These will require the completion of, as a minimum:

- i. Detailed Feasibility Studies.
- ii. Social and environmental impact assessments.
- iii. Engineering designs.
- iv. Technical advisory services and supervisory services for procurement of equipment and services.
- v. Technical advisory services and supervisory services for Construction, installation and commissioning of two facilities.

Bidders are kindly requested to note that the following clarification questions and response were provided:

Cla	rification Questions	Clarification Questions Response:		
No 1	Section in RFP Section 2 – 13 Currencies Item (b)	Clarifications As BDS states that the preferred currency is USD, should the bidder quote all prices in USD? If the bid is in different currencies, will the payment be all in USD equivalent?	Only USD currency is allowed for bidding purpose. Contract and payment will be on USD currency. The same is reflected on the RFP BDS, section 2-13.	
2	Section 3 BDS No 19 Maximum expected duration of contract	SMEC foresees that the project duration will be longer than what RFP states - the expected 18 months. Accordingly, we have several questions: 1. Our proposal, if it is based on the duration that we estimate to be practical and workable, and longer than 18 months, will it be considered as non-conforming bid? 2. If the bid is evaluated, how will the additional duraitn normalized to compare twith other proposals that may have unrealistically committed to delivery in 18 months.	1. Bidders to submit bid in response to the RFP. Alternative proposal will not be considered, as indicated on RFP BDS No. 3. 20 "Alternative Proposals Shall not be considered."	

Section 5 ToR : Objective & 'Scope of Consultancy' & Tasks Para 1 in 'Objective' states that:

"The price proposal within the procurement plan should also cover the procurement, installation, testing, commissioning and defects liability covering a reasonable period following commissioning."

In the 'Scope of Consultancy' the list of tasks to complete in the project is:

- i. Detailed Feasibility Studies.
- ii. Social and environmental impact assessments.
- iii. Engineering designs.
- iv. Procurement of equipment and services.
- Construction, installation and commissioning of two facilities.

In the 'Tasks' section the following task are provided:

- Construct and install the two mini hydro power plants as per the approved plans.
- Commission the two mini hydro power plants and develop operations and maintenance training material for use by the operators.
- Conduct operations and maintenance training for operators for both projects and for PNG Power Limited staff in Goroka and nominated local operators from Gotomi and Miruma.

In all these instances, the scope of work appears to include the cost of procuring, installing, testing, commissioning and provision for covering the defect liability period, plus conducting operation and maintenance trainings.

These tasks are generally delivered by the civil, electrical and mechanical contractors. They are appointed separately for the work after the feasibility study and the detailed designs stages through tendering process. The Consultant may act on behalf of the project owner to supervise them during the construction period.

Additionally, the cost of the construction, equipment and the associated works are only estimated during the feasibility studies. Even then, the final costs are dependent on the prices that the contractor will quote when they have the tender documents that provides them the necessary information to price the items.

Our understanding is that the consultancy services the UNDP is seeking for the project is limited to consulting services.

Yes, this consultancy services is limited to consulting services only.

RFP Should read as follows:

Section 5: Objective

The objective this of assignment is to successfully conduct feasibility studies, design, cost and installation of two (2) mini hydro power plants (with capacities of up to 200 kW); one in Gotomi and one Miruma, Eastern Highland Province, Papua Guinea. The feasibility will include site specific environmental and socioeconomic impact assessments. The designs and installations comply with regulatory standards. The procurement plan will identify appropriate equipment with relevant costings associated with the identified equipment and where to source them. Equipment identified during the design should be specific to the context and take into consideration value for of money, ease maintenance and sustainability. The price proposal within the procurement plan should technical cover advisory services supervisory services for the procurement, installation, testing, commissioning and defects liability covering a

reasonable period following commissioning.

Section 5: Terms of Reference: Scope of consultancy

This assignment requires a range of services that will facilitate the procurement, delivery and installation of two mini-hydro facilities in Eastern Highlands
Province. Each is expected to produce up to 200 kW of power. These facilities will be delivered in Gotomi and Miruma respectively. These will require the completion of, as a minimum:

- i. DetailedFeasibilityStudies.
- ii. Social and environmental impact assessments.
- iii. Engineering designs.
- iv. Technical advisory services and supervisory services for procurement of equipment and services.
- v. Technical advisory services and supervisory services for Construction, installation and

commissioning of two facilities.

Updated RFP uploaded.

The project will be developed along the following stages:

- 1 Prefeasibility Stage Confirm there are no show stopper that makes the project unfeasible. SMEC will provide consultancy services.
- 2 Feasibility Stage Confirm that the project is feasible and determine the key project parameters, project arrangement, costs and undertake key site investigation works – hydrology, geology etc., and environmental and social studies as required in the TOR. SMEC will provide consultancy services.
- 3 Tender Design development of documents for tendering of the project, detailed investigation for the design. SMEC will provide consultancy services.
- 4 Tendering stage invite contractors to quote based on the tender design documents. SMEC will provide consultancy services.
- 5 Construction and Implementation stage Civil construction, procurement, installation, testing and commissioning of the project. SMEC's role, if required by the project owner, act as the representative of the project owner and supervise the contractors during this stage.

We would like to confirm that this approach is acceptable

Bidders are welcome to propose most logical way in response to the RFP requirements.